



HR0470

LRB096 13084 DRJ 27432 r

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HOUSE RESOLUTION

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WHEREAS, The 1993 Omnibus Budget Reconciliation Act authorized self-funded Special Needs Trusts (SNTs) for blind or disabled persons specifically to enhance their quality of life; the law allows moneys to be placed in a trust, where they are exempt from the income-means test for purposes of determining eligibility for Medicaid; and

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WHEREAS, The Survivor Benefit Plan (SBP) provides retiring military personnel with a means to pass on a portion of their retirement pay to their survivors to ensure some financial security for those survivors; a military retiree may designate his or her surviving spouse, children, or an insurable third party such as a guardian or trustee to receive those survivor benefits; and

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WHEREAS, A retired service member's minor child who has been declared permanently disabled and mentally incapacitated to the extent that he or she cannot manage his or her own affairs may qualify for a lifetime SBP annuity; current federal law precludes payment of an SBP annuity into an SNT because an annuity must be paid to a natural person; and

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WHEREAS, The exclusion of SNTs from eligibility for SBP annuity payments disadvantages military retirees and their

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1 disabled child survivors because State programs to assist
2 severely disabled persons are subject to income-means tests and
3 payment of an SBP annuity to an individual will render the
4 individual ineligible for State aid, such as nursing home or
5 other care, due to excessive income; in order for a military
6 retiree's disabled child to become eligible for State aid, the
7 retiree must request termination of the child's SBP enrollment
8 - a complex process involving correction of military records -
9 and allow his or her child to become indigent in order to
10 qualify for State aid; and

11 WHEREAS, The current provisions of federal law pertaining
12 to military retirement benefits are too restrictive and
13 preclude military retirees from accessing a means of legal
14 redress available to the general public, whose freedom the
15 military retiree has devoted his or her career to protecting;
16 and

17 WHEREAS, Congressman Bill Foster, representing the 14th
18 Illinois Congressional District, has introduced H.R. 2059 to
19 redress this situation; the bill would amend federal law to
20 provide for the payment of monthly annuities under the SBP to a
21 supplemental or Special Needs Trust established for the sole
22 benefit of a disabled dependent child of a retired service
23 member who participates in the SBP; H.R. 2059 would put
24 survivors of retired military personnel on an equal footing

1 with other Americans, protect their survivor benefits, and end
2 the current unfair situation in which some survivors are forced
3 to choose between two essential benefit programs - SBP coverage
4 and State aid; therefore, be it

5 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
6 NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
7 that we urge Congress to quickly pass H.R. 2059, which would
8 amend federal law to provide for the payment of monthly
9 annuities under the Survivor Benefit Plan (SBP) for military
10 retirees to a supplemental or Special Needs Trust established
11 for the sole benefit of a disabled dependent child of a retired
12 service member who participates in the SBP, to put retired
13 military personnel on an equal footing with other Americans;
14 and be it further

15 RESOLVED, That suitable copies of this resolution be
16 delivered to each member of the Illinois Congressional
17 delegation.